



News Release

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Washington, D.C.

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For Release: 07/26/01

Release No: IR-2001-66

**IRS BEGINS MAILING ANNUAL INSTALLMENT AGREEMENT
ACCOUNT STATEMENTS**

WASHINGTON – The Internal Revenue Service has started mailing approximately 5.7 million Annual Installment Agreement Statements to business taxpayers, individual taxpayers, their spouses and their representatives about their installment agreements. The mailings began earlier this month and will be completed by September 1.

The current statement, which is the first ever sent out by the IRS, covers the period from June 5, 2000, to June 4, 2001. Taxpayers who receive the statement do not have to contact the IRS or take any action.

The annual statement is a summary of all account activity, and shows the balance due, for all the tax periods covered by a taxpayer's installment agreement. An installment agreement is an arrangement between a business or individual taxpayer and the IRS to allow delinquent federal taxes to be paid on a specific schedule over a period of time.

The statement contains two sections:

- The Payment Detail section shows payments received during the year and to which tax period they have been applied.
- The Installment Agreement Activity section shows each tax period for which tax is owed. Specifically, it lists the tax form number, beginning balance, total payments received, total interest and penalties added, other charges (such as installment agreement fees) and the ending balance for each period.

The statement is required by the IRS Restructuring and Reform Act of 1998.

The IRS Citizen Advocacy Panels provided input to the IRS into the development of the statement.

Taxpayers who have questions about their Annual Installment Agreement Statement can call the number on their statement. General information on installment agreements is located under "Get Your Tax Payments Back on Track" on the IRS web site at www.irs.gov.

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